

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA

Alexandria Division

UNITED STATES OF AMERICA)	
)	
v.)	CRIMINAL NO. 1:06cr161
)	
VERNON L. JACKSON,)	Judge T.S. Ellis, III
)	
Defendant.)	

PLEA AGREEMENT

Chuck Rosenberg, United States Attorney for the Eastern District of Virginia, Mark D. Lytle, Assistant United States Attorney, Rebecca H. Bellows, Assistant United States Attorney, Paul E. Pelletier, Acting Chief, U.S. Department of Justice, Criminal Division, Fraud Section, and Michael K. Atkinson, Special Assistant United States Attorney, and the defendant, Vernon L. Jackson, and the defendant's counsel have entered into an agreement pursuant to Rule 11 of the Federal Rules of Criminal Procedure. The terms of the agreement are as follows:

1. Offense and Maximum Penalties

The defendant agrees to waive indictment and plead guilty to a two-count criminal information charging the defendant with: Count One, Conspiracy to Commit Bribery of a Public Official in violation of Title 18, United States Code, Section 371; and Count Two, Bribery of a Public Official, in violation of Title 18, United States Code, Section 201. The maximum penalties for the offense contained in Count One of the criminal information are: a maximum term of five years imprisonment, a fine of \$250,000, a special assessment, and three years of supervised release. The maximum penalties for the offense contained in Count Two of the criminal information are: a maximum term of imprisonment of 15 years, a fine of \$250,000, a

special assessment, and three years of supervised release. The defendant understands that this supervised release term is in addition to any prison term the defendant may receive, and that a violation of a term of supervised release could result in the defendant being returned to prison for the full term of supervised release.

2. Factual Basis for the Plea

The defendant will plead guilty because the defendant is in fact guilty of the charged offenses. The defendant admits the facts set forth in the statement of facts filed with this plea agreement and agrees that those facts establish guilt of the offenses charged beyond a reasonable doubt. The statement of facts, which is hereby incorporated into this plea agreement, constitutes a stipulation of facts for purposes of Sections 1B1.2(a) and 6B1.4 of the Sentencing Guidelines.

3. Assistance and Advice of Counsel

The defendant is satisfied that the defendant's attorney has rendered effective assistance. The defendant understands that by entering into this agreement, defendant surrenders certain rights as provided in this agreement. The defendant understands that the rights of criminal defendants include the following:

- a. the right to plead not guilty and to persist in that plea;
- b. the right to a jury trial;
- c. the right to be represented by counsel – and if necessary have the court appoint counsel – at trial and at every other stage of the proceedings; and
- d. the right at trial to confront and cross-examine adverse witnesses, to be protected from compelled self-incrimination, to testify and present evidence, and to compel the attendance of witnesses.

4. Role of the Court and the Probation Office

The defendant understands that the Court has jurisdiction and authority to impose any sentence within the statutory maximum described above but that the Court will determine the defendant's actual sentence in accordance with 18 U.S.C. § 3553(a). The defendant understands that the Court has not yet determined a sentence and that any estimate of the advisory sentencing range under the U.S. Sentencing Commission's Sentencing Guidelines Manual the defendant may have received from the defendant's counsel, the United States, or the Probation Office, is a prediction, not a promise, and is not binding on the United States, the Probation Office, or the Court. Additionally, pursuant to the Supreme Court's decision in *United States v. Booker*, 125 S. Ct. 738, the Court, after considering the factors set forth in 18 U.S.C. § 3553(a), may impose a sentence above or below the advisory sentencing range, subject only to review by higher courts for reasonableness. The United States makes no promise or representation concerning what sentence the defendant will receive, and the defendant cannot withdraw a guilty plea based upon the actual sentence.

5. Stipulation Regarding Sentencing Factors

For purposes of this plea agreement, the United States and the defendant hereby stipulate and agree that the following United States Sentencing Guidelines ("U.S.S.G.") apply based upon the facts of this case:

- a. The parties agree that the 2005 Sentencing Guidelines Manual governs the guideline calculations in this case. All references in this agreement to the U.S.S.G. refer to that manual.

- b. The parties agree that the total offense level applicable to the defendant's offense conduct is Level 29. This level is calculated as follows:

Corruption Offenses - § 2C1.1

Base Offense Level - § 2C1.1(a)(2) 12

Specific Offense Characteristics:

§ 2C1.1(b)(1) offense involved more than one bribe. 2

§ 2C1.1(b)(2) and § 2B1.1(b)(1)(H)
Value of payments were more than \$400,000 but less than \$1 million. 14

§ 2C1.1(b)(3) Offense involved an elected official 4

Expected Adjustment under § 3E1.1
(Acceptance of Responsibility) -3

Total Offense Level 29

6. Acceptance of Responsibility

The United States agrees that it will recommend that the Court reduce by three levels the sentencing guideline applicable to the defendant's offenses, pursuant to U.S.S.G § 3E1.1, based upon the defendant's recognition and affirmative and timely acceptance of personal responsibility. The United States, however, will not be required to make this recommendation if any of the following occurs: (1) defendant fails or refuses to make a full, accurate and complete disclosure to the United States Attorney's Office or the Probation Office of the circumstances surrounding the relevant offense conduct and his present financial condition; (2) defendant is found to have misrepresented facts to the United States prior to entering this plea agreement; (3)

defendant commits any misconduct after entering into this plea agreement, including but not limited to, committing a state or federal offense, violating any term of release, or making false statements or misrepresentations to any governmental entity or official; or (4) defendant fails to comply with any term of this plea agreement.

7. Waiver of Appeal, FOIA and Privacy Act Rights

The defendant also understands that Title 18, United States Code, Section 3742 affords a defendant the right to appeal the sentence imposed. Nonetheless, the defendant knowingly waives the right to appeal the conviction and any sentence within the statutory maximum described above (or the manner in which that sentence was determined) on the grounds set forth in Title 18, United States Code, Section 3742 or on any ground whatsoever, in exchange for the concessions made by the United States in this plea agreement. This agreement does not affect the rights or obligations of the United States as set forth in Title 18, United States Code, Section 3742(b). The defendant also hereby waives all rights, whether asserted directly or by a representative, to request or receive from any department or agency of the United States any records pertaining to the investigation or prosecution of this case, including without limitation any records that may be sought under the Freedom of Information Act, Title 5, United States Code, Section 552, or the Privacy Act, Title 5, United States Code, Section 552a.

8. Waiver of DNA Testing

The defendant also understands that Title 18, United States Code, Section 3600 affords a defendant the right to request DNA testing of evidence after conviction. Nonetheless, the defendant knowingly waives that right. The defendant further understands that

this waiver applies to DNA testing of any items of evidence in this case that could be subjected to DNA testing, and that the waiver forecloses any opportunity to have evidence submitted for DNA testing in this case or in any post-conviction proceeding for any purpose, including to support a claim of innocence to the charges admitted in this plea agreement.

9. Special Assessment

Before sentencing in this case, the defendant agrees to pay a mandatory special assessment of one hundred dollars (\$100.00) per count of conviction.

10. Payment of Monetary Penalties

The defendant understands and agrees that, pursuant to Title 18, United States Code, Section 3613, whatever monetary penalties are imposed by the Court will be due and payable immediately and subject to immediate enforcement by the United States as provided for in Section 3613. Furthermore, the defendant agrees to provide all of his financial information to the United States and the Probation Office and, if requested, to participate in a pre-sentencing debtor's examination. If the Court imposes a schedule of payments, the defendant understands that the schedule of payments is merely a minimum schedule of payments and not the only method, nor a limitation on the methods, available to the United States to enforce the judgment. If the defendant is incarcerated, the defendant agrees to participate in the Bureau of Prisons' Inmate Financial Responsibility Program, regardless of whether the Court specifically directs participation or imposes a schedule of payments.

11. Immunity from Further Prosecution in this District

The United States will not further criminally prosecute the defendant in the Eastern District of Virginia for the specific conduct described in the information or statement of facts.

12. Defendant's Cooperation

The defendant agrees to cooperate fully and truthfully with the United States, and provide all information known to the defendant regarding any criminal activity as requested by the government. In that regard:

- a. The defendant agrees to testify truthfully and completely at any grand juries, trials or other proceedings.
- b. The defendant agrees to be reasonably available for debriefing and pre-trial conferences as the United States may require.
- c. The defendant agrees to provide all documents, records, writings, or materials of any kind in the defendant's possession or under the defendant's care, custody, or control relating directly or indirectly to all areas of inquiry and investigation.
- d. The defendant agrees that, upon request by the United States, the defendant will voluntarily submit to polygraph examinations to be conducted by a polygraph examiner of the United States' choice.
- e. The defendant agrees that the Statement of Facts is limited to information to support the plea. The defendant will provide more detailed facts relating to this case during ensuing debriefings.

- f. The defendant is hereby on notice that the defendant may not violate any federal, state, or local criminal law while cooperating with the government, and that the government will, in its discretion, consider any such violation in evaluating whether to file a motion for a downward departure or reduction of sentence.
- g. Nothing in this agreement places any obligation on the government to seek the defendant's cooperation or assistance.

13. Use of Information Provided by the Defendant Under This Agreement

Pursuant to Section 1B1.8 of the Sentencing Guidelines, no truthful information that the defendant provides pursuant to this agreement will be used to enhance the defendant's guidelines range. The United States will bring this plea agreement and the full extent of the defendant's cooperation to the attention of other prosecuting offices if requested. Nothing in this plea agreement, however, restricts the Court's or Probation Office's access to information and records in the possession of the United States. Furthermore, nothing in this agreement prevents the government in any way from prosecuting the defendant should the defendant provide false, untruthful, or perjurious information or testimony or from using information provided by the defendant in furtherance of any forfeiture action, whether criminal or civil, administrative or judicial.

14. Defendant Must Provide Full, Complete and Truthful Cooperation

This plea agreement is not conditioned upon charges being brought against any other individual. This plea agreement is not conditioned upon any outcome in any pending

investigation. This plea agreement is not conditioned upon any result in any future prosecution which may occur because of the defendant's cooperation. This plea agreement is not conditioned upon any result in any future grand jury presentation or trial involving charges resulting from this investigation. This plea agreement is conditioned upon the defendant providing full, complete and truthful cooperation.

15. Motion for a Downward Departure

The parties agree that the United States reserves the right to seek any departure from the applicable sentencing guidelines, pursuant to Section 5K1.1 of the Sentencing Guidelines and Policy Statements, or any reduction of sentence pursuant to Rule 35(b) of the Federal Rules of Criminal Procedure, if, in its sole discretion, the United States determines that such a departure or reduction of sentence is appropriate.

16. Breach of the Plea Agreement and Remedies

This agreement is effective when signed by the defendant, the defendant's attorney, and an attorney for the United States. The defendant agrees to entry of this plea agreement at the date and time scheduled with the Court by the United States (in consultation with the defendant's attorney). If the defendant withdraws from this agreement, or commits or attempts to commit any additional federal, state or local crimes, or intentionally gives materially false, incomplete, or misleading testimony or information, or otherwise violates any provision of this agreement, then:

- a. The United States will be released from its obligations under this agreement, including any obligation to seek a downward departure or a

reduction in sentence. The defendant, however, may not withdraw the guilty plea entered pursuant to this agreement;

- b. The defendant will be subject to prosecution for any federal criminal violation, including, but not limited to, perjury and obstruction of justice, that is not time-barred by the applicable statute of limitations on the date this agreement is signed. Notwithstanding the subsequent expiration of the statute of limitations, in any such prosecution, the defendant agrees to waive any statute-of-limitations defense; and
- c. Any prosecution, including the prosecution that is the subject of this agreement, may be premised upon any information provided, or statements made, by the defendant, and all such information, statements, and leads derived therefrom may be used against the defendant. The defendant waives any right to claim that statements made before or after the date of this agreement, including the statement of facts accompanying this agreement or adopted by the defendant and any other statements made pursuant to this or any other agreement with the United States, should be excluded or suppressed under Fed. R. Evid. 410, Fed. R. Crim. P. 11(f), the Sentencing Guidelines or any other provision of the Constitution or federal law.

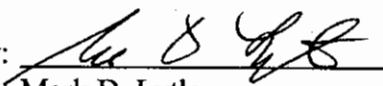
Any alleged breach of this agreement by either party shall be determined by the Court in an appropriate proceeding at which the defendant's disclosures and documentary evidence shall be

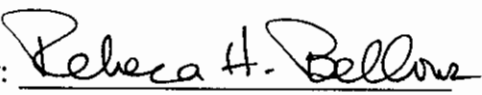
admissible and at which the moving party shall be required to establish a breach of the plea agreement by a preponderance of the evidence. The proceeding established by this paragraph does not apply, however, to the decision of the United States whether to file a motion based on "substantial assistance" as that phrase is used in Rule 35(b) of the Federal Rules of Criminal Procedure and Section 5K1.1 of the Sentencing Guidelines and Policy Statements. The defendant agrees that the decision whether to file such a motion rests in the sole discretion of the United States.

17. Nature of the Agreement and Modifications

This written agreement constitutes the complete plea agreement between the United States, the defendant, and the defendant's counsel. The defendant and his attorney acknowledge that no threats, promises, or representations have been made, nor agreements reached, other than those set forth in writing in this plea agreement, to cause the defendant to plead guilty. Any modification of this plea agreement shall be valid only as set forth in writing in a supplemental or revised plea agreement signed by all parties.

Chuck Rosenberg
United States Attorney

By:  5-2-06
Mark D. Lytle
Assistant United States Attorney

By:  5-2-06
Rebeca H. Bellows
Assistant United States Attorney

Paul E. Pelletier
Acting Chief, Fraud Section
Criminal Division
United States Department of Justice

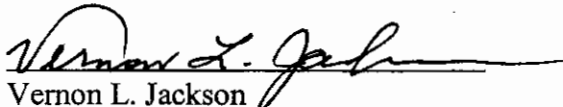
By: Michael Atkinson 5-2-06 (w/permission nst)
Michael K. Atkinson
Special Assistant United States Attorney

APPROVED:

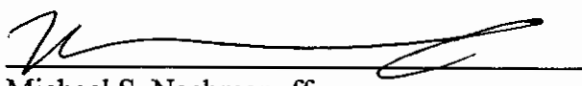
Jack Hanly 5-2-06
Jack Hanly Date
Chief, Fraud Section
Office of the U.S. Attorney
Eastern District of Virginia

Mark Mendelsohn 5-2-06 (w/permission nst)
Mark F. Mendelsohn Date
Deputy Chief
Criminal Division, Fraud Section
United States Department of Justice

Defendant's Signature: I hereby agree that I have consulted with my attorney and fully understand all rights with respect to the pending criminal information. Further, I fully understand all rights with respect to 18 U.S.C. § 3553 and the provisions of the Sentencing Guidelines Manual that may apply in my case. I have read this plea agreement and carefully reviewed every part of it with my attorney. I understand this agreement and voluntarily agree to it.

Date: 5-2-06 
Vernon L. Jackson
Defendant

Defense Counsel Signature: I am counsel for the defendant in this case. I have fully explained to the defendant the defendant's rights with respect to the pending information. Further, I have reviewed 18 U.S.C. § 3553 and the Sentencing Guidelines Manual, and I have fully explained to the defendant the provisions that may apply in this case. I have carefully reviewed every part of this plea agreement with the defendant. To my knowledge, the defendant's decision to enter into this agreement is an informed and voluntary one.

Date: 5/2/06 
Michael S. Nachmanoff
Ivan D. Davis
Office of Federal Public Defender
Counsel for the Defendant, Vernon L. Jackson

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Alexandria Division

UNITED STATES OF AMERICA)	
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v.)	CRIMINAL NO. 1:06cr161
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VERNON L. JACKSON,)	Judge T.S. Ellis, III
)	
Defendant.)	

STATEMENT OF FACTS

Were this matter to go to trial, the United States of America would prove the following facts beyond a reasonable doubt:

1. Beginning in or about January 2001 and continuing to August 2005, in the Eastern District of Virginia and elsewhere, the defendant, Vernon L. Jackson, did unlawfully, knowingly, and intentionally combine, conspire, confederate, and agree with a public official and other persons known and unknown to the United States to commit offenses against the United States: that is to participate in a conspiracy whereby Vernon L. Jackson directly and indirectly, corruptly gave, offered and promised things of value to a public official, Representative A, a Member of the U.S. House of Representatives, and corruptly offered and promised a public official, Representative A, to give things of value to Representative A, personally and to other persons and entities as directed by Representative A, with intent to influence the official acts performed by Representative A, in violation of Title 18, United States Code, Sections 201(b)(1)(A) and 371.

2. At all times relevant to this matter, the defendant, Vernon L. Jackson (also referred to as "Jackson"), was Chairman and Chief Executive Officer of iGate, Incorporated ("iGate" or "Company"), headquartered in Louisville, Kentucky. The Company developed a

technology which was designed to transmit data, audio, and video communications over copper wire and has been attempting to market this technology since approximately 1998.

3. In or about 2000, Jackson was introduced to a Member of the United States House of Representatives ("Representative A"), who was active in promoting U.S. trade and business in Africa. After discussing iGate's technology and products with Jackson, Representative A provided official assistance to Jackson in persuading the U.S. Army to test iGate's broadband two-way technology and other products which both Jackson and Representative A felt would give validation to the iGate products in U.S. markets and increase iGate's prospects for future business. Representative A's official assistance ultimately led to iGate being placed on a U.S. General Services Administration ("GSA") schedule, enabling iGate's products to be selected for use in connection with federal contracts. Ultimately, iGate's product was selected for use at the U.S. Army base at Fort Stewart in Georgia.

Representative A Solicits Bribe Payments From Jackson

4. In or about early 2001, Representative A informed Jackson that Representative A would not continue to use Representative A's official position to help Jackson and iGate secure business unless Jackson agreed to pay a company ostensibly maintained in the names of Representative A's spouse and children ("Nominee Company").

5. In or about January 2001 and at the behest of Representative A, Jackson signed a "Professional Services Agreement" between iGate and Nominee Company, which called for significant financial payments by iGate to Nominee Company. The Professional Services Agreement was designed to conceal the illegal nature of the payments demanded by Representative A and to make them appear to be for legitimate consulting services while, in fact,

those payments were designed to be in return for Representative A performing official acts in promoting iGate products and business. Representative A's spouse signed the agreement on behalf of Nominee Company. The agreement called for Nominee Company to produce or assist in the production of significant revenues for iGate. In addition, the Professional Services Agreement required iGate to pay Nominee Company monthly payments of \$7,500 plus five percent (5%) of gross sales over \$5 million in one year and five percent (5%) of all capital investments in iGate which were secured by Nominee Company (Representative A). Finally, the Professional Services Agreement required iGate to transfer options for one (1) million shares of iGate stock over a five (5) year period.

6. Between January 2001 and August 2005, Jackson received numerous false invoices from Representative A's Nominee Company which purported to bill iGate for the various consulting services rendered. These invoices appeared to be signed by Representative A's spouse. Jackson paid the invoices to secure Representative A's continued performance of official acts promoting iGate's business. Jackson believed that in the event Jackson did not pay these invoices, Representative A would stop performing official acts on behalf of iGate and take affirmative steps to impede the success of iGate. These invoices were simply a part of Representative A's design to conceal the illegal nature of the payments demanded by Representative A and to make those payments appear to be for legitimate consulting services when, in fact, those payments were in return for Representative A performing official acts in promoting iGate products and business.

The Nigerian Deal

7. In or about June 2003, Representative A was in Nigeria on official business when Representative A met with officials of Netlink Digital Television, a Nigerian company (“NDTV”) seeking to obtain internet technology to deploy throughout Nigeria and Africa. Representative A suggested iGate to NDTV and soon the two companies were in negotiations, which resulted in an agreement by NDTV to invest a total of approximately \$45 million into a business venture with iGate (the “Nigerian Deal”). Representative A agreed to provide official assistance to the Nigerian Deal by using Representative A’s official influence with Nigerian government officials to promote the business venture there. The agreement called for NDTV to make an initial installment payment of \$6.5 million with the remainder to be paid pursuant to a payment schedule tied to the progress of the venture. NDTV did pay iGate a total of \$6.5 million and sought to finance the remainder of the cost through the Export-Import Bank of the United States, the official export credit agency of the United States (“Ex-Im Bank”).

8. In or about 2003, Representative A visited the Ex-Im Bank in Washington, D.C., and introduced Jackson and NDTV officials to Ex-Im Bank personnel for the purpose of promoting the Nigerian Deal.

9. Jackson anticipated that iGate was to earn significant income from the Nigerian Deal with NDTV, in part, as a result of Representative A’s official assistance. In or about July 2003 and in light of the potential success of the business project sought in Nigeria by NDTV and iGate, Representative A presented an “Amendment to Professional Services Agreement” to Jackson and requested that Jackson agree to increase the percentage of iGate profits to be given to Representative A’s Nominee Company from five percent (5%) to thirty-five percent (35%) of

any profits derived by iGate for any business in the continent of Africa. When Jackson signed the amended agreement, Jackson knew that he was continuing to conceal the nature of the increased payments to Representative A by making it appear to be a legitimate consulting arrangement with Nominee Company, when in fact it was Jackson and iGate paying Representative A in return for Representative A's performance of official acts to further the iGate business.

10. In or about February 2004, Representative A departed from Dulles International Airport in Loudoun County Virginia and traveled to several west African nations, including Nigeria, for among other purposes, to promote iGate and its business opportunities there. Jackson, through iGate, helped to sponsor and pay for the trip which allowed for Representative A to officially meet with several high-ranking officials of the Nigerian government on behalf of iGate. During the trip, Representative A promoted iGate to the following Nigerian officials: the President; Vice President; Chairman, Nigerian Communications Commission; and the Chief, Minister of Commerce. Representative A used staff of Representative A's congressional office to help arrange the trip and one staff member accompanied Representative A on the trip. Representative A's staff also sought and received the official assistance of the United States Embassy in Nigeria in scheduling the meetings Representative A had with Nigerian officials during the trip and on behalf of iGate. These and other official actions were performed by Representative A in return for the concealed payments that Jackson had agreed to make to Representative A's Nominee Company.

11. In or about May 2004, Jackson, Representative A, and others departed from Dulles International Airport in Loudoun County, Virginia and traveled to Cameroon and Nigeria,

for among other purposes, to promote iGate and its business opportunities in those countries. Jackson, through iGate, helped to sponsor and pay for the trip which allowed for Representative A to officially meet with officials of the Nigerian government-owned telephone company, among others, on behalf of iGate. In addition, Representative A corresponded with several Nigerian officials both before and after Representative A's February and May 2004 trips to Africa on official U.S. House of Representatives letterhead with the intent to promote the iGate business there.

12. In approximately Spring 2004, NDTV and iGate ceased doing business together because of a dispute between the parties. Jackson and iGate then sought an investor to replace NDTV in the Nigerian Deal.

Representative A's Attempts to Promote an iGate Deal in Cameroon

13. During the May 2004 trip described above, Jackson and Representative A also traveled to Cameroon, where Representative A met with government officials there for the purpose of promoting iGate's products and business. During the visit to Cameroon, the official meetings attended by Representative A included a meeting with a high ranking government official as well as officials of the government-owned Cameroon telephone company, also known as CamTel.

14. In or about June 2004, Jackson, Representative A and others met in Washington, D.C. with officials of the Cameroon telephone company. During the meeting, Representative A, acting in Representative A's capacity as a member of Congress, promoted the business and products of iGate to the Cameroon officials.

Brett Pfeffer Introduces Virginia Investor to Representative A and Jackson

15. In or about 2004, while at the Washington, D.C. congressional office of Representative A, Representative A and Brett Pfeffer introduced Jackson to an individual who later became a cooperating witness for the government ("CW"). CW had traveled to the meeting from McLean, Virginia, where the CW operated a charitable foundation and investment company. Brett Pfeffer lived in Herndon, Virginia. Pfeffer was a former staff member of Representative A's congressional office and was currently employed by CW's investment company. Pfeffer's employment responsibilities included seeking out and researching investment opportunities for CW's company. At the meeting in Representative A's congressional office, Jackson and Representative A introduced CW to the business of iGate, its technology, and the proposed iGate business venture in Nigeria.

16. After several subsequent meetings, CW's company entered into a licensing and distribution agreement with iGate for the exclusive rights to market and distribute iGate's technology in Nigeria. CW's company agreed to invest approximately \$45 million for the exclusive right to use iGate's technology and equipment to support the Nigerian Deal. The agreement called for CW's company to pay \$3.5 million up-front and to finance the balance with a loan arranged through the Ex-Im Bank. Pursuant to this agreement, CW caused a total of \$3.5 million to be transferred from CW's bank account located in McLean, Virginia to iGate's bank account located in Louisville, Kentucky.

17. In or about the summer of 2004, Representative A again met with officials at the Ex-Im Bank in Washington, D.C., to further promote financing for the Nigerian Deal.

18. In addition, during the summer of 2004, Representative A advised Jackson that a member of Representative A's family would perform legal work to further the Nigerian Deal, which included, but was not limited to, assisting in the formation of a Nigerian company for CW and legal agreements between CW's newly formed Nigerian company and a separate local Nigerian partner company.

19. During the summer of 2005, the Nigerian government-owned telephone company began to seek other telecommunications partnerships to take the place of iGate and the local Nigerian partners. Upon hearing this news, Jackson contacted Representative A for the purpose of reversing the decision of the Nigerian Telephone company. In return for Jackson's continued payments to Nominee Company, Representative A took several official actions to support the Nigerian Deal. On or about June 21, 2005, Representative A wrote a letter to the Vice President of Nigeria. The letter was prepared on official U.S. House of Representatives letterhead. The letter encouraged the Vice President of Nigeria to look into the matter with the Managing Director of the Nigerian Telephone Company. In addition, Representative A was able to schedule an in person meeting with the Vice President of Nigeria on July 18, 2005 at a residence in Potomac, Maryland for the purpose of salvaging iGate's Nigerian Deal.

The Ghanaian Deal

20. At some point during the summer of 2005, Representative A advised Jackson that Representative A would also use Representative A's official office to provide support for a similar deal in Ghana for iGate.

21. In or about July 2005, Pfeffer, Representative A, a member of representative A's congressional staff, a member of Representative A's extended family, an iGate employee, and

others traveled to Ghana for the purpose of furthering a telecommunication business agreement in Ghana (the “Ghanaian Deal”) that was similar to the Nigerian Deal. Representative A, Pfeffer, and others departed from Washington Dulles Airport in Loudoun County, Virginia, on their way to Ghana. While in Ghana, Representative A performed numerous official acts for the purpose of promoting the telecommunications technology of iGate for use in Ghana. During the trip, Representative A reported to Jackson the official acts taking place on the trip in Ghana. For instance, Representative A told Jackson that Representative A met with various high-ranking Ghanaian government officials to promote the Ghanaian Deal. Further, Representative A used a member of Representative A’s congressional staff to help schedule the trip and to expedite the processing of required visas and passports for the individuals traveling to Ghana.

22. In addition to Representative A’s travel to Ghana to promote the Ghanaian Deal, Representative A corresponded with a high-ranking Ghanaian official to further promote the Ghanaian Deal in advance of the trip. On or about June 29, 2005, Representative A wrote a letter to the President of Ghana. The letter was prepared on official U.S. House of Representatives letterhead. The letter notified the President of Ghana that Representative A was “leading a delegation of six Americans to Ghana to pursue the establishment of a project to provide real broadband, or high speed internet services . . . to Ghana.” The letter further acknowledged that the establishment of such a project would be dependent upon the approval of various Ghanaian government officials. Finally, the letter requested the President of Ghana’s assistance in setting up meetings with such Ghanaian government officials.

23. In addition, Representative A met with officials of the Ex-Im Bank in Washington, D.C., to further promote the Ghanaian Deal. Jackson and iGate stood to make

significant financial gains in the event Representative A's official acts were successful in promoting the Ghanaian Deal.

24. Consistent with the demands contained in the Professional Services Agreement and its amendment, defendant Vernon Jackson frequently made payments to Nominee Company which included monthly payments and other transfers of money as well as transfers of iGate stock to Nominee Company.

25. Between January 2001 and August 2005, Jackson caused approximately 30,775,000 shares of Class A iGate common stock (24% of iGate's Issued Class A shares) to be transferred to Representative A's Nominee Company, at the direction of Representative A, in return for Representative A's official actions taken in promotion of iGate products and business opportunities.

26. On or about the following dates, defendant Vernon Jackson caused the following amounts of money to be transferred to a financial account maintained in the name of Nominee Company at the direction of Representative A and in return for official acts performed by Representative A to further the iGate business:

<u>Date</u>	<u>Amount</u>	<u>Description</u>
February 20, 2001	\$ 7,500.00	Check
April 11, 2001	\$ 7,500.00	Wire
May 15, 2001	\$ 7,500.00	Check
July 31, 2001	\$ 7,500.00	Check
July 31, 2001	\$ 7,500.00	Check
January 23, 2004	\$200,000.00	Wire
January 26, 2004	\$ 30,000.00	Wire
July 26, 2004	\$ 50,000.00	Wire
<u>September 23, 2004</u>	<u>\$ 50,000.00</u>	Wire
TOTAL	\$367,500.00	

27. On or about the following dates, defendant Vernon Jackson caused the following amounts of money to be transferred to a financial account for Representative A in order to pay for travel of Representative A and in return for the official acts performed by Representative A to further the iGate business:

<u>Date</u>	<u>Amount</u>	<u>Description</u>
June 28, 2004	\$14,888.95	Check
<u>August 10, 2004</u>	<u>\$14,604.76</u>	Check
TOTAL	\$29,493.71	

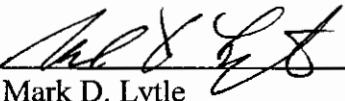
28. On or about the following dates, defendant Vernon Jackson paid the following amounts of money to private companies in the transportation industry for services related to the travel of Representative A and others traveling with Representative A and in return for official acts performed by Representative A to further the iGate business:

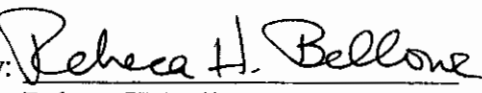
<u>Date</u>	<u>Amount</u>	<u>Description</u>
February 10, 2004	\$28,177.29	Wire
May 21, 2004	\$23,275.00	Wire
<u>June 8, 2004</u>	<u>\$ 7,000.00</u>	Wire
TOTAL	\$58,452.29	

29. The amount of the payments, the benefits received or to be received in return for the payments, the value of anything obtained or to be obtained by a public official or others acting with a public official that is attributable to Vernon L. Jackson can be found at U.S.S.G. §§ 2C1.1.(b)(2) and 2B1.1.(b)(1)(H), (more than \$400,000 but less than \$1 million), which was reasonably foreseeable to Vernon L. Jackson.

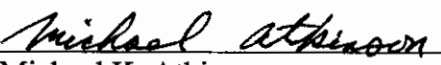
30. This Statement of Facts does not contain each and every fact known to the defendant and to the United States concerning the defendant's and other's involvement in the charges set forth in the plea agreement.

Chuck Rosenberg
United States Attorney

By:  5-2-06
Mark D. Lytle
Assistant United States Attorney

By:  5-2-06
Rebeca H. Bellows
Assistant United States Attorney


Paul E. Pelletier
Acting Chief, Fraud Section
Criminal Division
United States Department of Justice

By:  5-2-06 (w/permission)
Michael K. Atkinson
Special Assistant United States Attorney

DATED: May 2, 2006

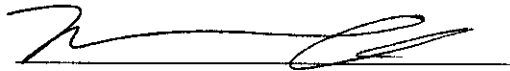
After consulting with my attorney and pursuant to the plea agreement entered into this day between the defendant, Vernon L. Jackson and the United States, I hereby stipulate that the above Statement of Facts is true and accurate, and that had the matter proceeded to trial, the United States would have proved the same beyond a reasonable doubt.

DATED: May 2, 2006


Vernon L. Jackson, Defendant

I am Vernon L. Jackson's attorney. I have carefully reviewed the above Statement of Facts with him. To my knowledge, his decision to stipulate to these facts is an informed and voluntary one.

DATED: May 2, 2006


Michael S. Nachmanoff, Esquire
Ivan D. Davis
Office of Federal Public Defender
Counsel for Defendant, Vernon L. Jackson

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA

Alexandria Division

UNITED STATES OF AMERICA)	
)	
v.)	CRIMINAL NO. 1:06cr161
)	
VERNON L. JACKSON,)	Judge T.S. Ellis, III
)	
Defendant.)	

CRIMINAL INFORMATION

Count 1
(Conspiracy to Commit Bribery)

THE UNITED STATES CHARGES THAT:

I. INTRODUCTION

1. At all times relevant to this matter, the defendant, Vernon L. Jackson (also referred to as "Jackson"), was Chairman and Chief Executive Officer of iGate, Incorporated ("iGate" or "Company"), headquartered in Louisville, Kentucky. The Company developed a technology which was designed to transmit data, audio, and video communications over copper wire and has been attempting to market this technology since approximately 1998.

2. In or about 2000, Jackson was introduced to a Member of the United States Congress ("Representative A"), who was active in promoting U.S. trade and business in Africa. After discussing iGate's technology and products with Jackson, Representative A provided official assistance to Jackson in persuading the U.S. Army to test iGate's broadband two-way technology and other products which both Jackson and Representative A believed would provide validation to iGate products in U.S. markets for future business. Representative A's official

assistance led to the placement of iGate on the GSA schedule, making iGate products eligible for use in various federal contracts. Ultimately, iGate's products were used by the U.S. Army at Fort Stewart, Georgia.

3. In or about early 2001, Representative A informed Jackson that Representative A would not continue to use Representative A's official position to help Jackson and iGate secure business unless Jackson agreed to pay a company ostensibly maintained in the names of Representative A's spouse and children ("Nominee Company").

4. In or about January 2001 and at the behest of Representative A, Jackson signed a "Professional Services Agreement" between iGate and Nominee Company, which called for significant financial payments by iGate to Nominee Company. The Professional Services Agreement was designed to conceal the illegal nature of the payments demanded by Representative A and to make them appear to be for legitimate consulting services when, in fact, those payments were designed to be in return for Representative A performing official acts in promoting iGate products and business. Representative A's spouse signed the agreement on behalf of Nominee Company. The agreement called for Nominee Company to produce or assist in the production of significant revenues for iGate. In addition, the Professional Services Agreement required iGate to pay Nominee Company monthly payments of \$7,500 plus five percent (5%) of gross sales over \$5 million in one year and five percent (5%) of all capital investments in iGate which were secured by Nominee Company (Representative A). Finally, the Professional Services Agreement required iGate to transfer to the Nominee Company, options for one (1) million shares of iGate stock over a five (5) year period.

5. In or about June 2003, Representative A was in Nigeria on official business when Representative A met with officials of Netlink Digital Television, Inc. ("NDTV"), a Nigerian company seeking to obtain internet technology to deploy throughout Nigeria and Africa. Representative A suggested iGate to NDTV and soon the two companies were in negotiations, which resulted in an agreement by NDTV to invest approximately \$6.5 million in a venture with iGate (the "Nigerian Deal"). Representative A agreed to provide official assistance to the Nigerian Deal by using Representative A's official influence with Nigerian officials to promote the business venture there.

6. In or about 2003, Representative A met with officials of the Export-Import Bank of the United States ("Ex-Im Bank"), the official export credit agency of the United States, and introduced Jackson and NDTV officials to Ex-Im Bank personnel in Washington, D.C. for the purpose of convincing the Ex-Im Bank to provide financial backing to the Nigerian Deal.

7. Jackson anticipated that iGate was to earn significant income from the Nigerian Deal with NDTV, in part, as a result of Representative A's official assistance. In or about July 2003 and in light of the anticipated success of the Nigerian Deal, Representative A presented an "Amendment to Professional Services Agreement" to Jackson and requested that Jackson agree to increase the percentage of iGate profits to be given to Representative A's Nominee Company from five percent (5%) to thirty-five percent (35%) of any profits derived by iGate for any business in the continent of Africa. When Jackson signed the amended agreement, Jackson knew that he was continuing to conceal the nature of the increased payments to Representative A by making it appear to be a legitimate consulting arrangement with Nominee Company, when in fact

it was Jackson and iGate paying Representative A in return for Representative A's performance of official acts to further the iGate business.

8. In approximately Spring 2004, NDTV and iGate stopped doing business together because of a dispute between the parties. Jackson and iGate then sought an investor to replace NDTV in the Nigerian Deal.

9. In or about 2004, while at the Washington, D.C. congressional office of Representative A, Representative A and Brett Pfeffer introduced Jackson to an individual who later became a cooperating witness for the government ("CW"). CW had traveled to the meeting from McLean, Virginia, where the CW operated a charitable foundation and investment company. Brett Pfeffer lived in Herndon, Virginia. Pfeffer was a former staff member of Representative A's congressional office and was currently employed by CW's investment company. Pfeffer's employment responsibilities included seeking out and researching investment opportunities for CW's company. At the meeting in Representative A's congressional office, Jackson and Representative A introduced CW to the business of iGate, its technology, and the proposed iGate business venture in Nigeria.

10. After attending this and other meetings, CW decided to invest in the Nigerian Deal by causing CW's company to enter into a licensing and distribution agreement with iGate for the exclusive rights to market and distribute iGate's technology and equipment in Nigeria for a total cost of approximately \$45 million.

II. THE CONSPIRACY

11. Beginning in or about January 2001 and continuing to August 2005, in the Eastern District of Virginia and elsewhere, the defendant, Vernon L. Jackson, did unlawfully, knowingly, and intentionally combine, conspire, confederate, and agree with a public official and other persons known and unknown to the United States to commit offenses against the United States: that is to participate in a conspiracy whereby Vernon L. Jackson directly and indirectly, corruptly gave, offered and promised things of value to a public official, Representative A, a Member of the U.S. House of Representatives, and corruptly offered and promised a public official, Representative A, to give things of value to Representative A, personally and to other persons and entities as directed by Representative A, with intent to influence the official acts performed by Representative A, in violation of Title 18, United States Code, Section 201(b)(1)(A).

III. THE MANNER AND MEANS OF THE CONSPIRACY

12. It was a part of the conspiracy that Vernon L. Jackson gave and agreed to give things of value such as money and iGate stock to a Nominee Company designated by Representative A which was ostensibly controlled by members of Representative A's family, in return for Representative A's agreement to perform various official acts to promote iGate's products and business in Africa and elsewhere, including, but not limited to: efforts to influence high-ranking officials in Nigeria, Ghana, Cameroon and elsewhere through official correspondence and in-person meetings; travel to those countries to facilitate these meetings; and meetings with personnel of the Export-Import Bank of the United States, the official export credit agency of the United States, in order to facilitate potential financing for iGate business deals in those countries.

13. It was further a part of the conspiracy that Vernon L. Jackson did pay and agreed to pay a Nominee Company at the direction of Representative A, various things of value in return for Representative A's performance of official acts in furtherance of iGate's business in Africa and elsewhere, including, but not limited to: a) monthly payments of \$7,500; b) a percentage of iGate's gross sales; c) a percentage of capital investments raised for iGate; d) options for iGate stock; and e) payment to a member of Representative A's family to perform legal work for various iGate business ventures.

IV. OVERT ACTS

14. In furtherance of the conspiracy, and to effect the aims and objectives thereof, the conspirators performed overt acts in the Eastern District of Virginia and elsewhere including the following:

- (a) On or about January 23, 2004, the defendant Vernon Jackson caused \$200,000 to be wired from an iGate bank account in Louisville, Kentucky to a bank account in New Orleans, Louisiana maintained in the name of Nominee Company.
- (b) In or about February 2004, Representative A departed from Washington Dulles International Airport in Loudoun County, Virginia and traveled to several west African nations, including Nigeria, for among other purposes, to promote iGate and its business opportunities to high-ranking government officials there. Jackson, through iGate, co-sponsored and paid for the trip.

- (c) In or about May 2004, Jackson, Representative A, and others departed from Washington Dulles International Airport in Loudoun County, Virginia and traveled to Nigeria, for among other purposes, to promote iGate and its business opportunities to officials of the government-owned telephone company in Nigeria. Jackson, through iGate, paid for the trip.
- (d) On or about July 26, 2004, the defendant Vernon Jackson caused \$50,000 to be wired from an iGate bank account in Louisville, Kentucky to a bank account in New Orleans, Louisiana maintained in the name of the Nominee Company.
- (e) In or about July 2005, Representative A, and others departed from Washington Dulles International Airport in Loudoun County, Virginia, and traveled to Ghana for the purpose of performing official acts in furtherance of iGate's business opportunities in Ghana.

(In violation of Title 18, United States Code, Section 371).

Count 2
(Bribery)

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

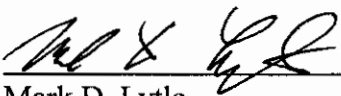
15. The allegations set forth in paragraphs one through ten and twelve through fourteen of this Information are hereby realleged as if fully set forth herein.

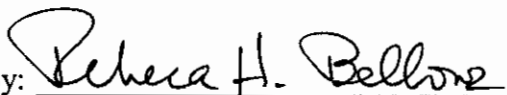
16. Beginning in or about January 2001 and continuing through in or about August 2005, in the Eastern District of Virginia and elsewhere, the defendant, Vernon L. Jackson, did directly and indirectly, corruptly give, offer and promise to give things of value to a public official, Representative A, a member of the U.S. House of Representatives, and corruptly offered and promised to Representative A to give things of value to another person and entity, with intent to influence a pattern of official acts by Representative A, to wit: at the direction of Representative A, defendant Jackson agreed to pay Representative A's Nominee Company: a) monthly payments of \$7,500; b) a percentage of iGate's gross sales; c) a percentage of capital investments raised for iGate; and d) options for iGate stock, all in return for Representative A's performance of a pattern of official acts supporting iGate's business endeavors in Africa, including, but not limited to, meetings with high-ranking government officials in various African countries, official correspondence with those officials, official travel to Africa, in many cases originating at Dulles International Airport in Loudoun County, Virginia,

and use of Representative A's congressional staff to support Representative A's efforts to promote iGate's business.

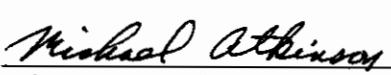
(In violation of Title 18, United States Code, Sections 201(b)(1)(A) and 2).

Chuck Rosenberg
United States Attorney

By:  5-2-06
Mark D. Lytle
Assistant United States Attorney

By:  5-2-06
Rebeca H. Bellows
Assistant United States Attorney

Paul E. Pelletier
Acting Chief, Fraud Section
Criminal Division
United States Department of Justice

By:  5-2-06 (w/ permission RDZ)
Michael K. Atkinson
Special Assistant United States Attorney

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA

Alexandria Division

UNITED STATES OF AMERICA)	
)	
v.)	CRIMINAL NO. 1:06cr161
)	
VERNON L. JACKSON,)	Judge T.S. Ellis, III
)	
Defendant.)	

WAIVER OF INDICTMENT

I, Vernon L. Jackson, the above named defendant, accused of conspiracy and bribery of a public official in violation of Title 18, United States Code, Sections 201 and 371, being advised of the nature of the charges, the proposed information, and of my rights, hereby waive in open court prosecution by indictment and consent that the proceeding may be by information rather than by indictment.

Date: _____

Vernon L. Jackson, Defendant

Michael S. Nachmanoff
Ivan D. Davis
Office of Federal Public Defender
Counsel for Defendant, Vernon L. Jackson

Before: _____
UNITED STATES DISTRICT JUDGE